



CITY OF NEWARK, CALIFORNIA

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March 12, 1991

Mr. Roch McClain
Western Regional Representative
General Motors - Argonaut Realty
515 Marin
Thousand Oaks, CA 91360

Dear Mr. McClain:

I am writing you at the request of Mr. Ken Buck. I am sorry that I missed you when you came by the other day and I look forward to working with you on your proposal to locate three auto dealerships in the City of Newark.

On behalf of the City of Newark, I would like to indicate our interest in pursuing negotiations with you on establishing these operations in Newark. I propose that an arrangement similar to the one that you outlined in your February 15, 1991 letter be developed which involves short-term City involvement in the bond issue and some graduated scale of City participation in the debt service payment based on the sales performance of the dealerships. City participation in this project is also based on the assumption that assessment district funding can be used to help buy-down the property.

If you are interested in proceeding further with discussions on this matter, please let me know. The City will look to you to pay all costs associated with the preparation of a new Disposition and Development Agreement for Redevelopment Area No. 2.

Once again, thank you for your interest in the City of Newark. I look forward to hearing from you soon.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jim Reese', written over a horizontal line.

JIM REESE
Community Development Director

JR:jq